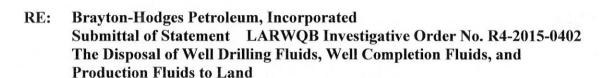
BRAYTON-HODGES PETROLEUM, INC. P.O. BOX 3751 SEAL BEACH, CA 90740 (949) 375-1372

January 20, 2016

Joshua Cwikla Los Angeles Regional Water Quality Control Board 320 W. Fourth Street, Suite 200 Los Angeles, CA 90013



This statement is being submitted to the Los Angeles Regional Water Quality Control Board (LARWQB) pursuant to Investigative Order No. R4-2015-0402 dated 12/18/2015. Brayton-Hodges Petroleum, Incorporated (BHP), or any subsidiary owned and/or operated within the oil field or fields operated by BHP, has not discharged well drilling fluids, well completion fluids, and/or oil production fluids to land since BHP has owned/operated their leases in DOGGR District One. BHP has not created nor operated historic, active, temporary or long-term sumps (i.e., an open pit, pond, excavation, natural depression) since they have owned/operated their leases. Furthermore, it is not a common practice for BHP to discharge fluids to an open pit, pond, excavation and/or natural depression.

Additionally, the following information and methodology for obtaining this information, is being submitted as part of this statement:

Description of Disposal Methods and Destinations:

BHP and/or its affiliates have not drilled any wells since they have owned and/or operated within the oil field(s) operated by BHP.

Produced water generated as a part of lease oil production is discharged to a POTW (Publically Owned Treatment Works). The volume of produced water for BHP operations has averaged approximately 90,218 barrels per year over the last full 10 year period.

Crude oil produced by BHP operations is sold with a custody transfer at the lease site. The oil is trucked offsite for delivery to a refinery by others (not by BHP). The volume of crude oil produced by BHP has averaged approximately 9,797 barrels per year over the last full 10 year period.

<u>Volumes of Fluids</u>: The volume of water and oil produced was based upon BHP records as reported to the California Department of Conservation, Division of Oil, Gas and Geothermal Resources.

Lastly, I, George Brayton certify under penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of the those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment.

Yours truly,

George Brayton

President

Brayton-Hodges Petroleum, Incorporated

George Braylow